

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
MEDICAID PURCHASING ADMINISTRATION  
Olympia, Washington**

**To:** All Providers  
Managed Care Organizations

**# Memo:** 11-12  
**Issued:** March 25, 2011

**From:** Doug Porter, Administrator & Medicaid Director  
Health Care Authority/Medicaid Purchasing  
Administration (MPA)

**For information contact**  
1-800-562-3022 or go to:  
<http://hrsa.dshs.wa.gov/contact/default.aspx>

**Subject: Occupational, Physical, and Speech Therapy: New Benefit Limits**

**Effective for dates of service on and after April 1, 2011**, the Department of Social & Health Services (the Department) will implement new benefit limits for outpatient rehabilitation (occupational therapy, physical therapy, and speech therapy) for clients 21 years of age and older. This memorandum explains the new limits, procedure code changes, and new modifier requirements for billing.

### **Changes to the Benefit Limit for Clients 21 Years of Age and Older**

**Effective for dates of service on and after April 1, 2011**, the outpatient rehabilitation benefit limits apply to physical, occupational, and speech therapy services provided at:

- The client's place of residence through a Medicare-certified Home Health Agency;
- An outpatient hospital clinic; or
- The free-standing therapy clinic.

The following are the new benefit limits for outpatient rehabilitation (occupational therapy, physical therapy, and speech therapy) for clients 21 years of age and older:

- Physical therapy: 24 units (equals approximately 6 hours);
- Occupational therapy: 24 units (equals approximately 6 hours);
- Speech therapy: 6 units (equals a total of 6 untimed visits).

These benefit limits are **per client, per calendar year** and are counted across all outpatient places of service. ***In addition***, one evaluation and one re-evaluation at time of discharge for each therapy type are covered. Authorization is not required.

**DO NOT COUNT THERAPY SERVICES PROVIDED PRIOR TO APRIL 1, 2011,  
TOWARDS THESE NEW BENEFIT LIMITS.  
BEGIN A NEW COUNT FOR DATES OF SERVICE  
ON AND AFTER APRIL 1, 2011 FOR ELIGIBLE CLIENTS.**

## Timed/Untimed CPT® codes

For the purposes of this benefit change:

- Each fifteen minutes of timed CPT® codes equals one unit; and
- Each non-timed CPT® code equals one unit, regardless of how long the procedure takes.

## Additional Units

The Department pays for additional units when medically necessary, with expedited prior authorization, as follows:

- Up to 24 additional units of physical therapy;
- Up to 24 additional units of occupational therapy; and
- Up to 6 additional units of speech therapy.

**Note:** See the Department's new *Outpatient Rehabilitation Billing Instructions* for when additional units are allowed using expedited prior authorization (EPA).

## Criteria

The Department pays for outpatient rehabilitation for adults 21 years of age and older as a short term benefit to treat an acute medical condition, disease, or deficit resulting from a new injury or from a post-surgery condition. Outpatient rehabilitation for clients 21 years of age and older must:

- Meet a reasonable medical expectation of significant functional improvement within 60 days of initial treatment;
- Restore or improve the client to a prior level of function that has been lost due to medically documented injury or illness;
- Meet currently accepted standards of medical practice and be specific and effective treatment for the client's existing condition; and
- Include an on-going management plan for the client and/or the client's caregiver to support timely discharge and continued progress.

## Department Authorizations

Effective for dates of service on and after April 1, 2011, any Department authorizations for physical, occupational, or speech therapy beyond March 31, 2011, are void. Since all clients, 21 years of age and older, will be eligible for more visits of any type of therapy services under the new Outpatient Rehabilitation benefit, these authorizations are not needed.

## Coverage Changes

Effective for dates of service on and after April 1, 2011:

- The following procedure codes **have been ADDED to the list of billable codes for Occupational Therapists**:

| Procedure Code | Brief Description             |
|----------------|-------------------------------|
| 92526          | Oral/swallow function therapy |
| 97124          | Massage Therapy               |
| 97605          | Neg press wound tx, <50 cm    |
| 97606          | Neg press wound tx, >50 cm    |

- The prior authorization requirement has been **REMOVED** from the following procedure code and is billable by Physical Therapists and Occupational Therapists:

| Procedure Code | Brief Description            |
|----------------|------------------------------|
| 97755          | Assistive technology assess. |

## Therapists - Billing

Therapists must use the appropriate modifier when billing the Department:

| MODALITY             | MODIFIERS |
|----------------------|-----------|
| Physical Therapy     | GP        |
| Occupational Therapy | GO        |
| Speech Therapy       | GN        |

## Home Health Agencies – Billing

Home Health Agencies must use the following appropriate procedure code and modifier when billing the Department:

| Modality             | Home Health Revenue Codes | New Home Health Procedure Codes | Modifiers |
|----------------------|---------------------------|---------------------------------|-----------|
| Physical Therapy     | 0421                      | G0151 = 15 min units            | GP        |
| Occupational Therapy | 0431                      | G0152 = 15 min units            | GO        |
| Speech Therapy       | 0441                      | 92507 = 1 unit                  | GN        |

## Outpatient Hospital or Hospital-Based Clinic Setting - Billing

- Physical, occupational, and speech therapists may not provide services in an outpatient hospital or hospital based clinic setting unless the therapist is a member of the hospital staff.
- The Department does not pay a facility fee for rehabilitation services.
- When services are provided in a hospital or hospital-based clinic setting, the Department makes payment to the hospital. A single claim may be submitted by the hospital, on a UB-04 claim form or an equivalent electronic transaction, consistent with facility billing guidelines. A concurrent professional claim is not appropriate.
- Payments to the hospital are considered payment in full.

When billing the Department, hospitals must use the appropriate revenue code, CPT, and modifier:

| MODALITY             | REVENUE CODE | MODIFIERS |
|----------------------|--------------|-----------|
| Physical Therapy     | 042X         | GP        |
| Occupational Therapy | 043X         | GO        |
| Speech Therapy       | 044X         | GN        |

## Physicians, Advanced Registered Nurse Practitioners, Physician Assistants, and Audiologists - Billing

The outpatient rehabilitation unit limits *do not apply* to therapy services provided and billed by physicians, advanced registered nurse practitioners (ARNPs), physician assistants-certified (PA-Cs), and audiologists.

**Physicians, ARNPs, PA-Cs, and Audiologists must use the following modifier when billing for ALL Outpatient Rehabilitation:**

| MODALITY  | MODIFIER |
|---|----------|
| Physical Therapy<br>Occupational Therapy<br>Speech Therapy<br>Audiology | AF       |

## Addressing Limits

The limits for therapies are per client, per calendar year.

- Bill timely. Claims will pay in date of service order. If a claim comes in for a previous date of service, the system will automatically pay the earlier date and recoup or adjust the later date.
- Contact the Department to check on limits, by submitting a service limit request to MACSC by using the on-line request form at: <https://fortress.wa.gov/dshs/p1contactus/>.
- Please consult the [ProviderOne Billing and Resource Guide](#)
  - Section: Client Eligibility, Benefit Packages, and Coverage Limits

## Updated/New Billing Instructions

The Department is combining the *Occupational Therapy, Physical Therapy, and Speech Therapy Billing Instructions* into one set of billing instructions titled *Outpatient Rehabilitation*. Providers may download and print the new Outpatient Rehabilitation Billing Instructions at: <http://hrsa.dshs.wa.gov/download/BI.html>.

## How Can I Get the Department/MPA Provider Documents?

To download and print the Department/MPA provider numbered memos and billing instructions, go to the Department/MPA website at: <http://hrsa.dshs.wa.gov> (click the **Billing Instructions and Numbered Memorandum** link).